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MILK MARKET INFORMATION BULLETIN
CHATTANOOGA, TENNESSEE MARKETING AREA
April 1969

Volume 13

Number 9

Released Pursuant to §1090.27(j) and §1090.85, USDA-C&MS
Federal Order No. 90, 112 Lee Parkway Drive, Chattanooga, Tennessee 37411
J. B. McCroskey, Market Administrator

MARKET SUMMARY - APRIL 1969

The Chattanooga Order MINIMUM uniform producer prices per cwt. at pool plants for milk testing 3.5% butterfat are: Base Milk - \$5.96 and Excess Milk - \$4.34. The producer butterfat differential is 8.0 cents for each one-tenth on one percent above or below 3.5% test. This is a Base and Excess price increase of 7 cents and 20 cents respectively above April 1968.

In April 1969, 62.1% of the producer milk received by pool plants was priced in Class I at \$6.56 per cwt. and 37.9% was priced in Class II at \$4.34 per cwt. The April butterfat differential for Class I was 8.0 cents and Class II was 7.8 cents.

Total producer milk received during April 1969 was 25,056,295 pounds which is an increase of 5,436,320 pounds or 27.7% compared with April 1968. Deliveries of producer Base milk exceeded producer milk used in Class I by 5,710,945 pounds or percentagewise only 73.2% of Base milk was used in Class I. The April daily average deliveries from 609 producers was 1,371 pounds. This compares to 536 farms delivering a daily average of 1,220 pounds per day during April 1968.

PLANTS DISTRIBUTING MILK IN FEDERAL ORDER NO. 90 AREA - APRIL 1969

The following Pool and Non-Pool plants distributed milk on routes in the Chattanooga Tennessee marketing area and were subject to Federal Order 90 during April 1969. The other Order plants were fully regulated at the Federal Order listed.

Pool Plants

Happy Valley Farms, Inc.
Mayfield Dairy Farms, Inc.
Ray Moss Farms, Inc.
Nance Dairy, Inc.
Sealtest Foods
Tenn. Valley Milk Producers, Inc.

F.O. No. 98 - Nashville, Tenn.
Avalon Dairies, Inc.
Sealtest Foods

F.O. No. 46 - Louisville, Ky.
Ideal Pure Milk Co.

F.O. No. 7 - Atlanta, Georgia
Dempsey Bros. Dairies, Inc.
Coble Dairy Products Cooperative

Other Order Plants

F.O. No. 101 - Knoxville, Tenn.
Norris Creamery, Inc.
Pet, Inc. - Dairy Division
Stoffell's Dairy, Inc.
Wolfe Enterprises, Inc.

Partially Regulated Plants

Superbrand Dairy Products, Inc.
Tro-Fe Dairy Co.

COMPARISON OF MILK RECEIPTS AND UTILIZATION

	% Apr. '69 over Apr. '68	Apr. 1969 17	Mar. 1969 18	Apr. 1968 11
Number of Plants (Pool and Non-Pool)				
<u>RECEIPTS POUNDS (DAILY AVERAGE)</u>				
Producer Milk	+ 27.7	835,210	758,271	653,999
Other Source	+ 43.0	39,582	59,934	27,687
Other Federal Orders	+ 138.4	291,715	260,729	122,377
TOTAL MILK RECEIPTS	+ 45.1	1,166,507	1,078,934	804,063
<u>UTILIZATION POUNDS (DAILY AVERAGE)</u>				
<u>Class I Uses</u>				
Homo Milk	- 1.8	378,634	381,924	385,713
Skim - Regular	+ 2.3	21,475	21,707	20,987
Skim - 2% Milk	+ 102.5	76,794	76,052	37,925
Buttermilk	+ 5.1	46,765	47,045	44,499
Flavored Milk and Drink	+ 12.1	15,466	14,789	13,794
Creams (Sweet and Sour)	- 3.9	3,005	3,097	3,126
Sub-Total - Pkg. Products (Pool Plants)	+ 7.1	542,139	544,614	506,044
Other (Shrinkage, Inventory, etc.)		1,387	1,365	3,023
Sales to Non-Pool Plants		72,995	135,035	18,479
In-Area Sales by Non-Pool Plants		55,102	58,341	4,383
TOTAL CLASS I MILK	+ 26.3	671,623	739,355	531,929
<u>Class II Uses - Pool Plants</u>				
Ice Cream Mixes	- 13.7	42,932	41,549	49,758
Cottage Cheese	+ 12.6	42,876	37,682	38,067
Powdered and Condensed Milk		105,686	15,647	139,522
Livestock Feed and Milk Dumped		5,851	6,930	6,222
Sub-Total - Used to Produce	- 15.5	197,345	101,808	233,569
Shrinkage Class II		13,036	13,668	12,029
Other (Inventory Variation, etc.)		4,379	10,289	(7,426)
Bulk Sales to Non-Pool Plants		280,124	213,814	33,962
TOTAL CLASS II MILK	+ 81.9	494,884	339,579	272,134
Class I Pkg. Lbs. in Area - Pool Plants	+ 50.4	449,258	451,248	298,618
Class I Pkg. Lbs. Out of Area - Pool Plants	- 55.2	92,881	93,366	207,426
Class I Pkg. Lbs. in Area - Non-Pool Plants		55,102	58,341	4,383
% Producer Milk of Gross Class I		124.4	102.6	122.9
% Producer Milk Priced in Class I		62.1	71.5	72.5

CLASS I MINIMUM PRICE COMPUTATION INCLUDING SUPPLY-DEMAND ADJUSTMENT

Per § 1090.51(a) Amended	May '69	Apr. '69	May '68
Basic Formula	\$4.34	\$4.33	\$4.33
Plus Class I Differential	1.95	1.95	1.95
Supply-Demand Adjustment	0.16	0.28	0.28
Class I Price, 3.5% Butterfat	\$6.45	\$6.56	\$6.56

MAY 1969

Supply-Demand Comparison: 2nd and 3rd preceding months: February and March

Supply: Lbs. Producer Milk (Feb. 21,048,945 and Mar. 23,506,391) 44,555,336

Demand: Lbs. Net Class I Milk (Feb. 18,999,320 and Mar. 21,111,438) 40,110,758

Utilization Percentage: Producer milk divided by Class I 111

Standard Utilization Percentage: Range 119-123 119

Net Deviation Percentage: Utilization minus Standard Utilization Minus 8

Supply-Demand Adjustment: 2 cents x 8 percentage points Plus \$0.16

COMPUTATION OF PRODUCER UNIFORM BASE AND EXCESS PRICES
AND WEIGHTED AVERAGE PRICE

APRIL 1969	Class %	Milk Pounds	Butterfat Test - %	Cwt.Price @ Test	Gross Value
Gross Class I		20,148,680	3.304		
Less Other Source		4,583,305	3.231		
Producer Milk Class I	62.1	15,565,375	3.325464	\$6.420371	\$ 999,354.82
Gross Class II		14,846,526	4.267		
Less Other Source		5,355,606	3.602		
Producer Milk Class II	37.9	9,490,920	4.643238	5.231726	496,538.93
TOTAL PRODUCER MILK (Cl.I + Cl.II)	100.0	25,056,295	3.824616		\$1,495,893.75
Add Fractional Adjustment					.02
Add $\frac{1}{2}$ Producer-Settlement Fund Reserve					10,055.21
TOTAL VALUE AT TEST		25,056,295	3.824616	\$6.010262	\$1,505,948.98
Less Test over 3.5% @ 8.0¢ per point		25,056,295	.324616	0.259693	65,069.44
TOTAL UTILIZATION VALUE AT 3.5%		25,056,295	3.5	\$5.750569	\$1,440,879.54
Less Reserve Per \$1090.71(f)		25,056,295		.040569	
WEIGHTED AVERAGE PRICE - 3.5% TEST		25,056,295		\$5.71	
TOTAL PRODUCER MILK VALUE @ 3.5% TEST		25,056,295	3.5		\$1,440,879.54
		Pounds	Price	Amount	
Excess Producer Milk Used In Class I					
Excess Producer Milk Used in Class II		3,779,975	\$4.34	\$164,050.91	
UNIFORM EXCESS PRICE - 3.5% TEST		3,779,975	4.34		\$164,050.91
Total Value of Base Milk		21,276,320	6.001172		1,276,828.63
Less Producer-Settlement Fund Reserve		21,276,320	.041172		8,759.89
UNIFORM BASE PRICE - 3.5% TEST		21,276,320	\$5.96		\$1,268,068.74

APRIL 1969 MINIMUM PRODUCER PRICES CWT. F.O.B. CHATTANOOGA POOL PLANTS
BUTTERFAT DIFFERENTIAL 8.0¢ PER POINT (EXCLUDES PREMIUMS)

TEST %	PRICES		TEST %	PRICES		TEST %	PRICES	
	BASE	EXCESS		BASE	EXCESS		BASE	EXCESS
3.0	\$5.56	\$3.94	4.0	\$6.36	\$4.74	5.0	\$7.16	\$5.54
3.05	5.60	3.98	4.05	6.40	4.78	5.05	7.20	5.58
3.1	5.64	4.02	4.1	6.44	4.82	5.1	7.24	5.62
3.15	5.68	4.06	4.15	6.48	4.86	5.15	7.28	5.66
3.2	5.72	4.10	4.2	6.52	4.90	5.2	7.32	5.70
3.25	5.76	4.14	4.25	6.56	4.94	5.25	7.36	5.74
3.3	5.80	4.18	4.3	6.60	4.98	5.3	7.40	5.78
3.35	5.84	4.22	4.35	6.64	5.02	5.35	7.44	5.82
3.4	5.88	4.26	4.4	6.68	5.06	5.4	7.48	5.86
3.45	5.92	4.30	4.45	6.72	5.10	5.45	7.52	5.90
3.5	5.96	4.34	4.5	6.76	5.14	5.5	7.56	5.94
3.55	6.00	4.38	4.55	6.80	5.18	5.55	7.60	5.98
3.6	6.04	4.42	4.6	6.84	5.22	5.6	7.64	6.02
3.65	6.08	4.46	4.65	6.88	5.26	5.65	7.68	6.06
3.7	6.12	4.50	4.7	6.92	5.30	5.7	7.72	6.10
3.75	6.16	4.54	4.75	6.96	5.34	5.75	7.76	6.14
3.8	6.20	4.58	4.8	7.00	5.38	5.8	7.80	6.18
3.85	6.24	4.62	4.85	7.04	5.42	5.85	7.84	6.22
3.9	6.28	4.66	4.9	7.08	5.46	5.9	7.88	6.26
3.95	6.32	4.70	4.95	7.12	5.50	5.95	7.92	6.30

CHATTANOOGA ORDER MILK PRICES (3.5 PERCENT MILK)

Date	PRODUCER UNIFORM PRICES 1/				HANDLER CLASS PRICES 1/			
	Per Hundredweight				Class I		Class II	
	Uniform	Base	Excess	Bf.Dif.	Cwt.	Bf.Dif.	Cwt.	Bf.Dif.
Apr. '68	\$5.67 2/	\$5.89	\$4.14	8.2¢	\$6.28	8.6¢	\$4.18	7.6¢
May	5.90 2/	6.14	4.15	8.2	6.56	8.6	4.19	7.6
June	5.79 2/	5.96	4.14	8.2	6.44	8.6	4.18	7.6
July	5.97 2/	6.15	4.14	8.2	6.52	8.6	4.18	7.6
Aug.	6.22	-	-	8.0	6.62	8.0	4.20	7.7
Sept.	6.16	-	-	8.0	6.70	8.0	4.23	7.9
Oct.	6.31	-	-	8.0	6.68	8.2	4.28	7.7
Nov.	6.22	-	-	8.0	6.62	8.1	4.27	7.7
Dec.	6.03	-	-	8.0	6.72	8.0	4.30	7.9
Jan. '69	6.16	-	-	8.0	6.72	8.2	4.27	7.6
Feb.	5.90	-	-	7.8	6.58	8.0	4.23	7.6
Mar.	5.90 2/	6.07	4.28	7.8	6.56	8.0	4.28	7.6
Apr.	5.71 2/	5.96	4.34	8.0	6.56	8.0	4.34	7.8
May	-	-	-	-	6.45	8.1	-	-

Date	PRICE QUOTATIONS				PRODUCER MILK USE (Daily Average)			
	Chi.92 ^o Butter	Minn/Wisc Mfg. Milk	Chi.Area Powder	Basic Formula	Class I		Class II	
	¢ Lb.	\$-cwt-3.5%	¢ Lb.	Floor	Pounds	Test-%	Pounds	Test-%
Apr. '68	66.44	4.18	21.96	4.33	474,081	3.44	179,918	4.95
May	66.44	4.19	22.62	4.33	467,606	3.45	171,375	4.85
June	66.44	4.18	22.54	4.33	432,917	3.40	167,462	4.93
July	66.43	4.18	22.77	4.33	439,957	3.40	130,640	5.06
Aug.	66.59	4.20	22.90	4.33	504,464	3.40	96,996	5.47
Sept.	68.54	4.23	22.91	4.33	561,274	3.45	155,047	5.07
Oct.	67.29	4.28	22.95	4.33	617,813	3.59	106,841	6.20
Nov.	66.79	4.27	22.75	4.33	727,083	3.49	158,337	6.39
Dec.	68.73	4.30	22.73	4.33	526,471	3.52	193,342	5.89
Jan. '69	66.41	4.27	22.95	4.33	577,625	3.48	156,506	6.63
Feb.	66.39	4.23	22.94	4.33	538,299	3.42	213,449	5.65
Mar.	66.39	4.28	23.04	4.33	542,370	3.40	215,901	5.50
Apr.	67.59	4.34	23.01	4.33	518,846	3.33	316,364	4.64

SUMMARY OF RECEIPTS AND USE (DAILY AVERAGE POUNDS)

Date	HANDLER GROSS MILK 3/			PRODUCER DATA				Deliveries Per		
	No.	Total	Class I	No.	Total	Base	Average	Farm-----Pounds		
	Hdlrs.	Receipt	Use	Prod.	Delivery	Delivery	Test-%	Prod.	Base	Exc.
Apr. '68	11	804,063	531,929	536	653,999	574,609	3.85	1,220	1,072	148
May	11	805,968	533,685	535	638,981	563,280	3.82	1,194	1,053	141
June	11	798,670	533,671	537	600,379	546,005	3.82	1,118	1,017	101
July	10	758,105	563,764	535	570,597	519,550	3.78	1,067	971	96
Aug.	17	855,075	708,065	541	601,460	-	3.73	1,112	-	-
Sept.	17	1,014,868	786,828	620	716,321	-	3.80	1,155	-	-
Oct.	17	1,025,424	873,378	619	724,654	-	3.98	1,171	-	-
Nov.	17	1,219,630	938,723	721	885,420	-	4.01	1,228	-	-
Dec.	18	1,003,719	711,555	624	719,813	-	4.16	1,154	-	-
Jan. '69	18	1,052,730	811,681	619	734,131	-	4.16	1,186	-	-
Feb.	18	1,083,443	737,181	612	751,748	-	4.05	1,228	-	-
Mar.	18	1,078,934	739,355	611	758,271	688,137	4.00	1,241	1,126	115
Apr.	17	1,166,507	671,623	609	835,210	709,211	3.82	1,371	1,165	206

1/ Excludes Premiums

2/ Weighted Average Price

3/ Other Source is Gross minus Producer; Class II is Receipts minus Class I